



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 11/7/2023

New Business

Department: Planning, Community Development Division

Presenter(s): Matthew Cable

Contact(s): Matthew Cable

Subject: Homeward Bound Request for Funding

Brief Summary: Homeward Bound submitted a letter to Buncombe County requesting an additional \$195,000 in grant funding beyond the \$3,000,000 in Buncombe County ARPA-FRF grant funds already allocated to support its Compass Point Village project.

Compass Point Village is a construction rehabilitation project which is converting an existing hotel to a multifamily for rent project serving households with less than 30% Area Median Income (AMI). The project is unique in its deep affordability combined with permanent supportive housing service components. Based upon financial pro forma documents shared by Homeward Bound, the combination of deep affordability and supportive services results in the need for ongoing fundraising to support operating costs.

The Board of Commissioners recently reallocated outstanding balances of ARPA-FRF funds, including setting aside \$3.8M for housing/shelter. Buncombe County's Affordable Housing Services Program (AHSP) has prior year unallocated funds in amounts sufficient to fund this \$195,000 request; however, the project would not be eligible for grant award under the AHSP. The AHSP offers a construction loan applicable to this project for which Homeward Bound could submit an application in the upcoming cycle, slated to open in mid-December. This project would be able, in the upcoming cycle, to seek a 20-year construction loan with 2% interest with deferred principal and interest payments from cashflow.

Requested Action: Consider the Homeward Bound request and provide staff direction on funding to be provided if the desire is to provide additional funding to this project.